

Critique for the 'State of volunteering in Queensland' report of 2021

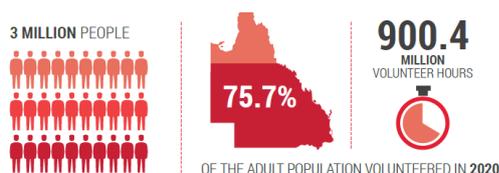
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The State of Volunteering in Queensland report of 2021 prides itself on providing evidence-based information to shed light on the challenges, value, social and economic benefits of volunteering to better inform decision and policy makers on policies and investments. The report is broken down into three sections. Section one uses a population survey to study the characteristics of volunteers and their perceived challenges with volunteering during Covid-19; and section two surveys volunteer-involved organisations to examine costs, challenges and trends in volunteering over the last three years. A large focus of the report is on Section three which attempts to quantify the costs and benefits of volunteering using cost benefit analysis, population and organisation surveys as well as general population data.

Section 1: Characteristics of volunteering in QLD, in 2019 and 2020 as perceived by volunteers.

A sample of 1,541 randomly chosen adult residents were drawn from 'online panels' and were sent surveys to complete from which statistics were drawn (Table 1). The study does not state how surveys were sent to participants and the number of responses received. This means we do not know how many people did not respond to the survey, the barriers to this and what the characteristics of these people are. However, the study assures us that quotas were used to ensure a broad and representative sample across gender, age, household income and location and that these results were post-weighted to Australian Bureau of Statistics data. It was good to see the study go one step further by using chi-square goodness of fit tests to determine that the post-weightings used in the study sample accurately represented of the state's demographic.

Table 1 Number of adult volunteers QLD 2020



The report found that the number of volunteers increased by 7.8% but the number of hours spent volunteering decreased by 2.9% between 2019 to 2020 during the pandemic. The study did not comment on this phenomenon or explore the factors which may have led to this change in volunteer behaviour. One assumption could be that more people started volunteering due to changes to their daily activities, such as sport, travel or socialising with lockdowns and venue restrictions but spent less time doing so due to reduced travel and face-to-face interactions. It would also be interesting to know what effect a greater number of volunteers volunteering less time on average has productivity or services delivered.

2.6 million adults in Queensland volunteer informally, this is increasingly prevalent during times of hardship such as Covid-19. Informal volunteering in diverse community groups is seldomly recorded, the study believes that further research in this area would positively impact community and policy attitudes.

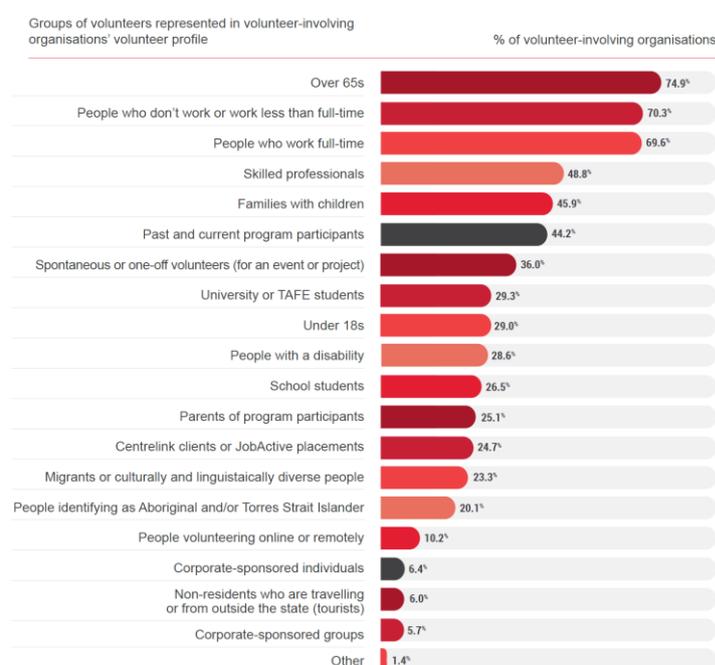
The study asked participants about the positive and negative consequence of Covid-19 on their volunteering. Some of the positive responses included being more appreciated by recipients and reinforced the importance of volunteering locally. Social distancing was perceived to reduce the number of volunteers and increase workload on some volunteers due to short staffing. There was also perceived to be an increase demand for volunteer work during natural disasters. Some volunteers stated that Covid-19 has made them stop volunteering altogether, feel insecure about volunteering or stop volunteering face to face. Some of the top barriers to volunteering reported for non-volunteers included having no time (60%), health issues (28.7%), cost (27.1%) and government restrictions or regulations (19.9%). Only one in nine non-volunteers were not interested in volunteering at all.

Section 2: The experiences and perspectives of volunteer-involving organisations in QLD.

Organisations self-selected to participate in an online survey which generated a convenience sample which was not randomised. The study showed a good cross-section of responses from the 594 organisations sampled with 10 to 33,000 volunteers per organisation. 79.5% of participating organisations were a not-for-profit or community organisation, 19.4% government department or agency and 1.2% private or commercial enterprises. It is unclear whether this is proportional to the total number of volunteer-involved organisations in Queensland. Only 71.7% organisations provided financial data which could be used by the study.

Organisations provided information on the types of volunteers they worked with (table 2), how organisations motivated their volunteers and how they were recruited. There appears to be a wide cohort of people who volunteer of all ages, skills, abilities, background and employment types. Interestingly, only 10% of organisations reported having volunteers that work remotely or online. Where there was perceived to be a mismatch between the findings of the population survey (from section 1) and the organisation surveys the population survey data was preferred. No further explanation was given as to the types of discrepancies.

Table 2 Profile of volunteers in organisations



Personal connections and relationship building was the most widespread method used to motivate volunteers used by two-thirds of the organisations sampled. Different types of training were used as a means to motivate volunteers by most organisations. Out of hours gatherings, events and celebrations were another important means of motivating volunteers.

Issues faced by volunteer-involving organisations

More than half of the organisations agreed that the following volunteer-related issues were very important to their organisation; volunteer retention (ranked 'very important' by 77% of organisations), volunteer appreciation and recognition outside the organisation and by the community (67.2% and 58.3% respectively), volunteer management (64.7%), volunteer recruitment (64.5%) as well as volunteer rights, responsibilities, protection and dispute management (57.1%).

More than half of the organisations sampled ranked the following organisation-related issues as being very important to them; financial viability or sustainability (78.8%), access to funding, grants or sponsorship (73.5%), organisational governance (67.5%) as well as organisational culture, inclusion and diversity (61.9%). Fewer volunteer-involved organisations regarded project/ program and change management, impact measurement, evaluation and reporting and access to volunteer management

resources as having very high importance to their organisation. External issues deemed very important included risk, insurance and legal issues (ranked by 65.3%), volunteer fatigue (62.6%), engagement with government/policy (54.9%) as well as red tape or regulatory requirements (54.7%).

The study found that volunteer management was ranked as the 'top issue' volunteer organisations wanted help with as voted by 38.8% of organisations. Interestingly, this area was more frequently given top priority than access to funding, grants or sponsorship (voted by 15.2% of organisations), external volunteer appreciation (11.4%) and recruitment (11.4%).

Trends in volunteering

About half of the organisations sampled did not see a significant change in the number of volunteers volunteering only occasionally, online or from home and felt that volunteers wanted about the same amount of training as in the past three years. 70.3% of organisations agreed that the number of volunteers wanting more flexible hours had not changed in the last 3 years, despite the pandemic. Similarly, more than half of the organisations sampled did not see a significant change in the hours people wished to volunteer, the number of university students volunteering, availability of board-level volunteers or the number of volunteers claiming expenses.

About half of the organisations believed that companies volunteered their employees time less and a third believed that the number of volunteers was decreasing in the last 3 years. Despite this most organisations believed that they would see more or the same number of volunteers in three years' time.

Section Three: The costs and benefits of volunteering in QLD

A comprehensive cost analysis approach was used to measure the value of volunteering through its gross contribution to the community. The study examined the costs and benefits of volunteering in the community, both financial and non-financial, cost to the volunteer and avoided costs by the community. Volunteering is seen to improve the overall wellbeing of individuals and the community at large, as such not all impact can be measured in terms of financial benefit. Here the cost-benefit analysis has been chosen in attempt to price the social, cultural and economic impacts of volunteering in the community objectively, without disregarding the other non-financial costs and benefits of volunteering.

The cost benefit analysis approach used by the study can be broken down into several parts:

1. Financial analysis is used to estimate total volunteer activity, which is also used to measure efficiency, resource use and investment by individuals and organisations for volunteering
2. Revealed preference methodology to estimate the direct and opportunity costs of volunteering
3. Input-output analysis to benchmark economic outcome, used to measure demand for a service or good produced by volunteers compared to what is actually delivered
4. Stated preferences (of consumers, volunteers or organisations) to price benefit to an industry
5. Econometric analysis to quantify avoided costs to the community, by quantifying the effect different factors may have on one another.

Table 3 Volunteer hours donated



The cost of volunteering

The economic cost of volunteering in the state is estimated to be \$20.4 billion broken down into individual costs, organisational costs, and the cost of 'lost opportunity'. The study found that individual volunteers spent on average \$1,600 on volunteering in 2020, a sum of \$4.3 billion overall, and were reimbursed only 11.4% of that expense. More than fifty percent of this was spent on travel, food and membership costs such as licences and subscriptions. A much smaller amount of \$2.2 billion was spent by volunteer organisations in 2020 with 45.2% of expenses going towards wages and salaries related

to volunteer management (the top ranked issue requiring support as voted by organisations), 10.7% towards materials and equipment and 9.4% for administration costs.

Opportunity cost describes the 'lost value' as a result of deciding between two mutually exclusive choices, forcing us to consider what could have been gained if this time was used at work. The analysis calculates this cost by diverting time, resources, money and skills used in volunteer activities to other 'productive ends'. The study calculated the average weekly earnings for each age cohort, which was adjusted to the proportion of full and part time workers in Queensland. Time spent volunteering was then converted to time that could have been spent at work, consequently this 'opportunity cost' is low for the young and old who are not in the workforce and high for those aged 25-64. Using this equation the 900.4 million hours donated by volunteers equates to \$13.9 billion in opportunity cost (table 3). While this is a helpful way to quantify and give monetary value to the act of volunteering the approach is flawed. The assumptions here are that volunteers are choosing to volunteer over work and that there is always work to do, on weekends and 'after hours'. In reality most people do not choose to volunteer over work commitments and choose to volunteer in their 'free time' outside of work hours. If anything volunteering is more likely to be a trade-off between leisure activities, social, household and family commitments.

The study did not examine the opportunity cost of vacant volunteer positions and the impact of these roles such as sub-optimal service delivery. Further research is recommended for future planning and development of volunteer organisations.

Benefits of volunteering

Commercial benefit

The study used input-output modelling to calculate that the \$6.5 billion invested by volunteers and organisations increases the output in the Queensland economy by ~\$11 billion, which includes production of immediate goods and imports. The report is unclear on how the Gross Value Added to the state's economy of \$6.3 billion was derived, from which \$1.2 billion is the net profit of businesses involved in the production and provision of volunteer goods and services. The net profit is assumed to cover the cost of investment and the 'opportunity cost' of land or building use, if they were used for mercantile purposes instead.

Employment productivity

57.9% of volunteers believed volunteering increased their productivity at work by about 28% with strengthened networks and skills gained through volunteering. 4.6% believed that volunteering negatively affected their productivity at work by 25%. These statistics were applied to quantify the 'productivity premium' enjoyed by employers as a result of their employee volunteering (factoring in the median annual wage per age cohort, overall increased productivity and total number of volunteers) resulting in an estimated \$40.6 billion in increased productivity to employers.

Civic benefits

Civic benefits are the costs avoided by the government and tax payer, which include the inbound tourism impact of volunteering, avoided costs to the health, criminal and justice systems not quantified by the report. Volunteering expenditure is estimated to create 38,500 full time and 19,000 part-time jobs economy-wide. Input-output modelling shows that volunteering expenditure of \$5.6 billion in direct costs generate \$1.4 billion in tax revenue which can be used, in theory, on other social investments i.e roads, hospitals and schools. A more impressive figure is the cost of replacing volunteers with paid employees-\$37.1 billion.

The impact of volunteering on volunteer health and wellbeing was not examined, neither was the value added to recipients by the act of volunteering. These would be important factors to examining the cost and benefit of volunteering in terms of social benefit.